

Manufacturer Recognizes Risk of Overseas Production

AmFor Electronics is a second-generation family-owned manufacturer in Portland, Oregon. Originally named Northwest Regulator Supply Inc., the firm is the market leader in the manufacturing of alternator and starter testers, which are sold to auto parts stores, auto repair shops, and alternator and starter rebuilders. Building its own wire harnesses for use in its testers laid the foundation for AmFor to expand into the wire harness manufacturing business.

Business Government Collaboration

With this new line of business still in its formative stages, AmFor took advantage of Lean Manufacturing Grants made available by the Portland Development Commission (PDC), which allowed AmFor to engage with the Oregon Manufacturing Extension Partnership (OMEP) to overhaul the firm's manufacturing and business operations.

Results: reduction in costs, increased turnaround times, and fewer defects. These successes have translated into new customers—sometimes at the expense of competitors operating in China, Japan, and Mexico—and the hiring of 50 employees.

Keeping Production Close to Customers

The proximity of AmFor's design and manufacturing operations to its customers increases the firm's ability to respond quickly, accurately, and flexibly to customers' often changing needs. On average, the company can go from drawing/sample to first article testing in just two weeks. This period does not just reflect the time to take the customer specs and given them just what they asked for, but to go beyond and assess the design with respect to manufacturing, serviceability, industry design standards, and supply chain efficiency.

AmFor and its customers have identified the costs and risks to shipping wires and harnesses from abroad. Having this inventory of harnesses in transit reduces their ability to respond to unforeseen circumstances, whether these involve changes to the order during the manufacturing process or defects in the order. Regardless who is at fault for defects, they can represent unacceptable costs, especially for firms with lean manufacturing practices. AmFor's ability to respond to such errors on the part of its competitors has created new business opportunities for the firm.

AmFor and its partners understand that per piece costs are not the right metric for assessing where to manufacture. Many factors go into the total cost of its wire harnesses, and on this basis, AmFor is adding to our nation's robust, responsive, and cost-competitive manufacturing base.



Benefits of “Making it in America”

Companies are realizing that American manufacturers provide something that foreign competitors cannot: value. Businesses should engage in reshoring initiatives because manufacturing in the U.S. provides:



Quality: American manufacturers can quickly and accurately customize products to meet the needs of all consumers.



Convenience: U.S. companies are easier to contact, provide more flexibility and have quicker response times.



Customer Service: Making changes to orders is more feasible with U.S. businesses (i.e., supply chains).



Cost-effectiveness: The total costs of ownership associated with foreign competitors outweighs the cheapness of their “per product” figures.



Supporting America: Manufacturing products in the U.S. supports our economy and job growth.

